

*PAUL SCORES DOUBLE VICTORY IN CONGRESS FOR AMERICAN CONSUMERS*

Congress adopts Paul approach on Credit Unions

*House subcommittee on Financial Institutions endorses rest of Paul's agenda*

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WASHINGTON, DC - Calling it a victory for Americans seeking to maintain choices in financial services, US Rep. Ron Paul (R-Texas) praised Members of Congress and the Senate for passing a version of credit union protection legislation on Tuesday. The legislation did not include potentially damaging community reinvestment regulations which would have meant higher costs to consumers.

Rep. Paul was the first Member of Congress to introduce legislation, Financial Freedom Act of 1997 (HR1121), which sought to protect multiple-common-bonds from federal court rulings against the rights of Americans to participate in credit unions. The bill also would have removed some of the burdensome bank regulations which are so costly to consumers.

At the same time, the Credit Union Membership Access Act (HR1151) was introduced, with Rep. Paul as a cosponsor of the original language. During debate on HR1151, language was included to burden credit unions with new regulations, which would have had expensive consequences for American consumers. The cost-increasing version of the legislation passed the House, but was not included in a Senate version of the measure. The House passed the Senate version by a unanimous voice-vote Tuesday afternoon.

"I am absolutely opposed to new taxes and new regulations being levied on the American people, whether directly or indirectly. I am pleased that the version we passed today adopts the legislative intent of my legislation as it related to credit unions by allowing the multiple-common-bonds without new regulations and taxes," said Rep. Paul. "Americans should have choices in their financial decisions, and the government should not restrict those choices. Excessive government regulations and taxes only serve to increase costs and limit the alternatives available to the consumer, the American taxpayer."

In a related move, the Subcommittee on Financial Institutions and Consumer Credit on Tuesday voted to eliminate the burdensome and costly "Community Reinvestment Act" regulations on almost 87% of American financial institutions (those with assets of \$250 million or less). The subcommittee passed the regulation-relief bill nearly 2-to-1. Eliminating the costly regulation was a key component of HR1121. Eli

Rep. Paul said he is pleased with the day's events, but that he will not stop in his fight to protect Americans from high taxes and the over-regulation of the financial services industry.

"We need to continue working to level the playing field for all Americans by cutting taxes and reducing regulations," said Rep. Paul. "What happened on Tuesday on the House floor and in the subcommittee are victories for the American consumer, but I intend to continue my efforts to cut taxes, cut regulations and improve the economic choices available to Americans."

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